

AMENDED IN SENATE APRIL 28, 2004

AMENDED IN SENATE MARCH 31, 2004

SENATE BILL

No. 1535

Introduced by ~~Senator Karnette~~ *Senators Karnette and Denham*

February 19, 2004

An act to add Section 66025.2 to the Education Code, relating to public postsecondary education, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1535, as amended, Karnette. Public postsecondary education: student fee policies.

Existing law establishes the segments of public postsecondary education in this state. These segments include the California State University, which is administered by the Trustees of the California State University, and the University of California, which is administered by the Regents of the University of California.

This bill would ~~provide that, beginning in the 2004-05 academic year, the trustees, if they elect to increase undergraduate mandatory systemwide fees in the California State University system, may not increase those fees by a percentage exceeding that by which per capita income, as defined, in California grew during the most recent fiscal year during which complete data is available. The bill would authorize the trustees, upon a finding of unique fiscal circumstances, to increase undergraduate mandatory systemwide fees by an amount not to exceed 10% of the level of those fees at the time the finding is made.~~

~~The bill would authorize the trustees, beginning in the 2004-05 academic year, to increase mandatory systemwide fees for graduate~~

students by whatever percentage is deemed appropriate by the trustees, until graduate fees are 50% higher than undergraduate fees, after which the bill would authorize graduate fees to be increased at a rate no higher than the rate of increase for undergraduate fees.

~~The bill would request the regents to adopt undergraduate and graduate fee policies for the University of California that are identical to the provisions that this bill would require of the California State University~~ *require the Legislative Analyst's Office and the California Postsecondary Education Commission, in consultation with the Regents of the University of California, the Trustees of the California State University, and the Chancellor of the California Community Colleges, to propose a statewide policy, including specified principles, for the mandatory systemwide student fees of public higher education institutions. The bill would require this proposed policy to be presented, in writing, by February 1, 2005, to the Legislature, the Governor, and the Director of Finance.*

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 66025.2 is added to the Education Code,
- 2 to read:
- 3 ~~66025.2. (a) (1) Beginning in the 2004-05 academic year, if~~
- 4 ~~the Trustees of the California State University elect to increase~~
- 5 ~~undergraduate student fees, the percentage by which those fees are~~
- 6 ~~increased shall not exceed the percentage by which per-capita~~
- 7 ~~income grew in the State of California during the most recent fiscal~~
- 8 ~~year for which complete data is available.~~
- 9 ~~(2) For purposes of this section, per-capita income growth rates~~
- 10 ~~shall be provided by the Department of Finance. The Department~~
- 11 ~~of Finance may utilize statistical smoothing techniques to ensure~~
- 12 ~~gradual, moderate changes to fees, based on data compiled by the~~
- 13 ~~United States Department of Commerce.~~
- 14 ~~(b) Notwithstanding subdivision (a), if the trustees determine~~
- 15 ~~that unique fiscal circumstances require that undergraduate fees be~~
- 16 ~~increased by an amount that exceeds the percentage by which~~
- 17 ~~per-capita income grew, as determined by the Department of~~

1 ~~Finance, the trustees may increase undergraduate fees by an~~
2 ~~amount not to exceed 10 percent of what those fees are at the time~~
3 ~~that the trustees make a determination regarding the existence of~~
4 ~~unique fiscal circumstances.~~

5 ~~(e) Any determination regarding the existence of unique fiscal~~
6 ~~circumstances, as described in subdivision (b), shall be made by~~
7 ~~the trustees in a public meeting.~~

8 ~~(d) (1) Beginning in the 2004-05 academic year, the trustees~~
9 ~~may increase fees for graduate students by whatever percentage~~
10 ~~the trustees deem appropriate, until graduate student fees are 50~~
11 ~~percent higher than undergraduate student fees.~~

12 ~~(2) Once the trustees have increased graduate student fees to~~
13 ~~the level where they are 50 percent higher than undergraduate~~
14 ~~student fees, the trustees shall increase graduate student fees at the~~
15 ~~same rate which they increase undergraduate student fees.~~

16 ~~(e) Beginning in the 2004-05 academic year, the Legislature~~
17 ~~requests that the Regents of the University of California adopt~~
18 ~~undergraduate and graduate fee policies identical to those detailed~~
19 ~~in this section for the California State University.~~

20 *66025.2. (a) The Legislative Analyst's Office and the*
21 *California Postsecondary Education Commission, in consultation*
22 *with the Regents of the University of California, the Trustees of the*
23 *California State University, and the Chancellor of the California*
24 *Community Colleges, shall propose a statewide policy for the*
25 *mandatory systemwide student fees of public higher education*
26 *institutions. The policy proposed pursuant to this section shall, at*
27 *a minimum, include each of the following principles:*

28 *(1) A commitment to tie financial aid to the level of mandatory*
29 *systemwide student fees.*

30 *(2) A timeframe for imposing fee increases.*

31 *(3) Consideration of whether the fees of graduate or*
32 *professional students should be set according to a policy that is*
33 *different from the policy governing the fees of undergraduate*
34 *students.*

35 *(4) A funding commitment from the state.*

36 *(b) The policy proposed pursuant to this section shall be*
37 *presented, in writing, by February 1, 2005, to the Legislature, the*
38 *Governor, and the Director of Finance.*

39 **SEC. 2.** This act is an urgency statute necessary for the
40 immediate preservation of the public peace, health, or safety

- 1 within the meaning of Article IV of the Constitution and shall go
- 2 into immediate effect. The facts constituting the necessity are:
- 3 In order to implement the provisions of this act before the
- 4 commencement of the 2004–05 academic year, it is necessary that
- 5 this act take effect immediately.

